



International Atomic Energy Agency

INFCIRC/62

4 November 1965

GENERAL Distr.

Original: ENGLISH and
SPANISH

THE TEXTS OF THE INSTRUMENTS CONNECTED WITH THE AGENCY'S
ASSISTANCE TO ARGENTINA IN ESTABLISHING A RESEARCH
AND ISOTOPE PRODUCTION REACTOR PROJECT

The texts [1] of the Title Transfer Agreement between the Agency and the Governments of Argentina and the United States of America, and of the Project Agreement between the Agency and the Government of Argentina, in connection with the Agency's assistance to that Government in establishing a research and isotope production reactor project, are reproduced in this document for the information of all Members. These Agreements entered into force on 2 December 1964.

[1] The footnotes to the texts have been added in the present information circular.

I. TITLE TRANSFER AGREEMENT

CONTRACT FOR THE TRANSFER OF TITLE TO ENRICHED URANIUM FOR A RESEARCH AND ISOTOPE PRODUCTION REACTOR

WHEREAS the Government of the Argentine Republic (hereinafter called "Argentina") has leased from the Government of the United States of America (hereinafter called the "United States") certain enriched uranium for use in the Argentine Experimental and Isotope Production Reactor (hereinafter called the "RAEP reactor"), which uranium was delivered to Argentina on 27 February 1964;

WHEREAS the International Atomic Energy Agency (hereinafter called the "Agency") and the United States on 11 May 1959 concluded an Agreement for Cooperation (hereinafter called the "Cooperation Agreement") [2], under which the United States undertook to make available to the Agency pursuant to its Statute certain quantities of special fissionable material;

WHEREAS Argentina, desiring to obtain title to a portion of the enriched uranium previously leased to it to facilitate the operation of the RAEP reactor as a project for research on, and the practical application of, atomic energy for peaceful purposes, has requested the Agency to assist it in acquiring title to such portion of the uranium;

WHEREAS, in order to assist and encourage research on peaceful uses or for medical therapy, the United States has, in each calendar year, offered to distribute to the Agency, free of charge, special fissionable material of a value of up to US \$50 000 at the time of transfer, to be supplied from the amounts specified in Article II, A of the Cooperation Agreement;

WHEREAS the United States has found the project to which this Contract relates eligible under the gift offer for calendar year 1964 to the extent of US \$35 331;

WHEREAS Argentina and the United States have concluded an amendment to their lease agreement under which the special nuclear materials lease account established by the United States for Argentina will be credited with the value or worth of the nuclear material title to which is to be transferred hereunder; and

WHEREAS the Board of Governors of the Agency approved the project on 1 December 1964 and the Agency and Argentina are this day concluding an agreement relating to the project [3];

NOW, THEREFORE, the Agency, the Argentine National Atomic Energy Commission, acting on behalf of Argentina, and the United States Atomic Energy Commission (hereinafter called the "Commission"), acting on behalf of the United States, hereby agree as follows:

[2] Text reproduced in document INFCIRC/5, Part III.

[3] Part II of this document.

ARTICLE I

Transfer of title to enriched uranium

Section 1. Subject to the provisions of the Cooperation Agreement the Commission shall transfer without charge to the Agency, the Agency shall accept from the Commission and retransfer without charge to Argentina, and Argentina shall accept from the Agency title to approximately 3268.4 grams of uranium enriched to 89.91% by weight in the isotope uranium-235 (hereinafter called the "supplied material"), having a value, in accordance with the Commission's published charges in effect on the effective date of this Contract, of US \$35 331, which material constitutes a portion of the enriched uranium leased by the Commission to Argentina for the RAEP reactor under Contract Number AR/ML/3-1, and is at present located at the Constituyentes Atomic Centre, Buenos Aires, Argentina.

Section 2. Title to the supplied material shall vest in the Agency upon entry into force of this Contract and shall thereafter immediately and automatically vest in Argentina.

ARTICLE II

Responsibility

Section 3. Neither the Agency nor any person acting on its behalf shall at any time bear any responsibility towards Argentina or any person claiming through Argentina for the safe handling and the use of the supplied material.

Section 4. Neither the United States, nor the Commission, nor any person acting on behalf of the Commission shall bear any responsibility for the safe handling and the use of the supplied material.

ARTICLE III

Officials not to Benefit

Section 5. No Member of the Congress of the United States of America or Resident Commissioner of the United States of America shall be admitted to or share any part of this Contract or any benefit that may arise therefrom.

ARTICLE IV

Entry into Force

Section 6. This Contract shall enter into force upon signature by or for the Director General of the Agency and by the authorized representatives of Argentina and the Commission.

DONE in triplicate in English and Spanish, the texts in both languages being equally authentic.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Sigvard Eklund

Vienna

2 December 1964

For and on behalf of ARGENTINE NATIONAL ATOMIC ENERGY COMMISSION
on behalf of the GOVERNMENT OF THE ARGENTINE REPUBLIC:

(signed) Oscar A. Quihillalt

Vienna

2 December 1964

For and on behalf of the UNITED STATES ATOMIC ENERGY COMMISSION
on behalf of the GOVERNMENT OF THE UNITED STATES OF AMERICA:

(signed) Frank K. Hefner

Vienna

2 December 1964

II. PROJECT AGREEMENT

AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY AND THE GOVERNMENT OF THE ARGENTINE REPUBLIC FOR ASSISTANCE BY THE AGENCY TO ARGENTINA IN ESTABLISHING A RESEARCH AND ISOTOPE PRODUCTION REACTOR PROJECT

WHEREAS the Government of the Argentine Republic (hereinafter called "Argentina"), desiring to continue, with the assistance of the International Atomic Energy Agency (hereinafter called the "Agency"), a project for research on, and the practical application of, atomic energy for peaceful purposes, has requested the Agency to assist it in obtaining title to a portion of the enriched uranium required for the reactor, which material Argentina is at present leasing from the Government of the United States of America (hereinafter called the "United States");

WHEREAS the Board of Governors of the Agency approved the project on 1 December 1964, and the Agency, Argentina and the United States Atomic Energy Commission acting on behalf of the United States are this day concluding a contract for the transfer of title to certain enriched uranium for the research reactor (hereinafter called the "Title Transfer Agreement") [4];

NOW, THEREFORE, the Agency and Argentina hereby agree as follows:

ARTICLE I

Definition of the Project

Section 1. The project to which this Agreement relates is the operation of the 5-megawatt Argentine Experimental and Isotope Production Reactor (hereinafter called the "RAEP reactor") and its associated facilities, to be operated by the Argentine National Atomic Energy Commission at the Ezeiza Atomic Centre in the Province of Buenos Aires. The project also includes the fabrication of the nuclear material supplied hereunder into fuel elements for the RAEP reactor, to be carried out by the Argentine Commission at the Constituyentes Atomic Centre in Buenos Aires (hereinafter called the "processing facility").

[4] Part I of this document.

ARTICLE II

Supply of Special Fissionable Material

Section 2. The Agency hereby allocates to the project described in Article I, and provides for the transfer to Argentina of title to the enriched uranium specified in the Title Transfer Agreement (hereinafter called the "supplied material") pursuant to the terms of that Agreement, which constitutes an integral part of this Agreement to the extent that it creates rights and obligations between the Agency and Argentina.

Section 3. Within thirty days of the transfer of title to the supplied material pursuant to the Title Transfer Agreement, the Agency may verify the precise quantity and enrichment of the supplied material. The entire cost of any such verification, including the costs of any fuel elements destroyed, shall be borne by the Agency. If, consequent upon such a verification, the Agency and Argentina should be unable to reach agreement with respect to the quantity or enrichments of the supplied material, either party may, within thirty days of the submission of the results of such verification by the Agency to Argentina, request that a determination be made by a laboratory agreed upon by both parties. The laboratory may perform any tests or analyses that it may deem necessary, and both parties agree to facilitate its work in every way. The results of the determination by the laboratory shall be considered as final and binding on both parties. The costs of such determination shall be borne equally by the parties, except that if the measurements insisted on by either party are confirmed by the laboratory such party shall not be obliged to bear a share of the related costs.

ARTICLE III

Agency Safeguards against Diversion

Section 4. Argentina agrees that the RAEP reactor and the supplied material, and any special fissionable material produced by their use, shall not be used in such a way as to further any military purpose.

Section 5. It is hereby agreed and specified that the rights and responsibilities provided for in paragraph A of Article XII of the Statute of the Agency are relevant to the project, provided that sub-paragraphs 1, 3, 4 and 6 of that paragraph shall be implemented, with respect to the items to which Agency safeguards are attached pursuant to Section 6, in accordance with the procedures established under the Agreement of 2 December 1964 between the Agency, Argentina and the United States for the Application of Safeguards [5], as long as that Agreement and the necessary procedures under it are in effect. In the absence of such procedures under that Agreement, appropriate provisions shall be established in accordance with the second sentence of Section 8. The attachment of safeguards shall be terminated or suspended in accordance with paragraphs 38 and 39 of document INFCIRC/26 (hereinafter called the "Safeguards Document").

[5] This Agreement will be the subject of an information circular to be issued in due course.

Section 6. Agency safeguards shall be attached to:

- (a) The supplied material, provided that, if Argentina so requests, such portion of the material shall be exempted so that the lower limit stated in paragraph 32(b) of the Safeguards Document shall not be exceeded thereby, taking into account all relevant special fissionable material;
- (b) The reactor facility, consisting of the RAEP reactor and its associated facilities;
- (c) The special fissionable material produced either in the portion of the supplied material to which Agency safeguards are attached or under the conditions specified in paragraph 33 of the Safeguards Document.

ARTICLE IV

Health and Safety Measures

Section 7. The health and safety measures specified in the Annex shall be applied to the project.

ARTICLE V

Changes in the Project

Section 8. Should Argentina desire to use or store the supplied material outside the processing facility or the RAEP reactor and its associated facilities, or to use significant amounts of other source or special fissionable material in the reactor, or to process or to arrange for the processing of any supplied or produced material after irradiation, or to send any such material out of Argentina or to change the design of the processing facility, of the reactor or of its associated facilities, then Argentina shall inform the Agency sufficiently in advance to permit the Agency to prepare any necessary supplementary safeguards provisions and health and safety measures before the operation in question takes place. Subject to paragraph A of Article XII of the Statute and to any relevant principles that have been or may be established thereunder, such supplementary provisions and measures shall be determined by the Board of Governors of the Agency after the Director General of the Agency has consulted with Argentina. Argentina hereby agrees to comply with any provisions and measures thus established and to co-operate with the Agency in their application.

ARTICLE VI

Agency Inspectors

Section 9. The provisions relating to Agency inspectors shall be those set forth in the Annex to Agency document GC(V)/INF/39. Argentina shall apply the relevant provisions of the Agreement on the Privileges and Immunities of the International Atomic Energy Agency [6] to Agency inspectors and to any property of the Agency used by them in carrying out their functions.

[6] Text reproduced in document INFCIRC/9/Rev.1.

ARTICLE VII

Information and Rights to Inventions and Discoveries

Section 10. In conformity with paragraph B of Article VIII of the Statute of the Agency, Argentina shall make available to the Agency without charge all scientific information developed as a result of the assistance extended by the Agency.

Section 11. In view of its degree of participation, the Agency claims no rights in any inventions or discoveries arising from the execution of the project. The Agency may, however, be granted licences under any patents upon terms to be agreed.

ARTICLE VIII

Languages

Section 12. Reports and other information should be submitted to the Agency in one of the working languages of the Board of Governors.

ARTICLE IX

Settlement of Disputes

Section 13. Any dispute, except one to which the procedure set forth in Section 3 applies, arising out of the interpretation or application of this Agreement which is not settled by negotiation or as may otherwise be agreed shall on the request of either party be submitted to an arbitral tribunal composed as follows: each party shall designate one arbitrator, and the two arbitrators so designated shall elect a third, who shall be the Chairman. If within thirty days of the request for arbitration either party has not designated an arbitrator, either party may request the President of the International Court of Justice to appoint an arbitrator. The same procedure shall apply if, within thirty days of the designation or appointment of the second arbitrator, the third arbitrator has not been elected. A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall be made by majority vote. The arbitral procedure shall be established by the tribunal, whose decisions, including all rulings concerning its constitution, procedure, jurisdiction and the division of the expenses of arbitration between the parties, shall be binding on both parties. The remuneration of the arbitrators shall be determined on the same basis as that of ad hoc judges of the International Court of Justice.

Section 14. In case of any dispute involving the application of Article III, IV, V or VI, decisions of the Board of Governors of the Agency shall, if they so provide, immediately be given effect by Argentina pending the conclusion of any consultation, negotiation or arbitration that may be or may have been invoked with regard to the dispute.

ARTICLE X

Entry into Force

Section 15. This Agreement shall enter into force upon signature by or for the Director General of the Agency and by the authorized representative of Argentina.

DONE in duplicate in English and Spanish, the texts in both languages being equally authentic.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Sigvard Eklund

Vienna

2 December 1964

For the GOVERNMENT OF THE ARGENTINE REPUBLIC:

(signed) Oscar A. Quihillalt

Vienna

2 December 1964

ANNEX

HEALTH AND SAFETY MEASURES

1. The health and safety measures applicable to the project shall be those set forth in Agency document INFCIRC/18 (hereinafter called the "Health and Safety Document"), as specified below.
2. Argentina shall apply the Agency's Basic Safety Standards [7] and the relevant provisions of the Agency's Revised Regulations for the Safe Transport of Radioactive Materials [8] and shall endeavour to ensure safety conditions as recommended in the relevant parts of the Agency's codes of practice.
3. Argentina shall arrange for the submission to the Agency, prior to carrying out any of the operations described below, of a detailed health hazards report containing the information specified in paragraph 29 of the Health and Safety Document, with particular reference to such operations and to the storage of the supplied material, to the extent that such information is relevant and not yet available to the Agency:
 - (a) Fabrication of the supplied material into fuel elements, with special reference to the measures to be taken to prevent accidental criticality, including: safety by geometry, by concentration, by handling and by administration;
 - (b) Loading of fuel into the RAEP reactor;
 - (c) Start-up and pre-operational testing of the reactor;
 - (d) Experimental programme and procedures involving the reactor;
 - (e) Unloading of fuel from the reactor;
 - (f) Handling and storage of fuel after unloading.

These operations shall not be commenced until 60 days after the health hazards report is submitted, and until the Agency has determined, if necessary by observation and discussion at the site of the planned operations, that the safety measures as described in the report are acceptable. The Agency may require further safety measures in accordance with paragraph 30 of the Health and Safety Document. Should Argentina desire to make substantial modifications or additions to the procedures or the operations with respect to which information was submitted, or to proceed to the final closing down of the RAEP reactor, it shall submit to the Agency all relevant information as specified in paragraph 29 of the Health and Safety Document in sufficient time to enable the Agency to perform its task in accordance with paragraph 30 of that Document before such modifications, additions or closing down takes place.

4. Argentina shall arrange for the submission of the reports specified in paragraph 25 of the Health and Safety Document, the first report to be submitted not later than twelve months after the entry into force of this Agreement. In addition, the reports specified in paragraphs 26 and 27 of the Health and Safety Document shall be submitted.
5. The Agency may inspect the processing facility and the RAEP reactor and its associated facilities, not more than twice a year, in accordance with paragraphs 33 to 35 of the Health and Safety Document, except that special inspections may be carried out in the circumstances specified in paragraph 32 of that Document.
6. Changes may be made in the safety standards and measures specified in this Annex in accordance with paragraphs 38 and 39 of the Health and Safety Document.

[7] Agency's Safety Series No. 9 (STI/PUB/26).

[8] Agency's Safety Series No. 6 (1964 Revised Edition) (STI/PUB/97).